

To All

Customers

New federal regulations governing cable rates take effect September 1, 1993. As a result, your cable bill will look different and the total amount you pay for cable TV service may change. Federal law now regulates most cable rates and charges except for programming offered on a per-program (such as pay-per-view) or per-channel basis. Examples of per-channel programming are premium services like HBO and SHOWTIME and any other cable channels available individually. Your monthly bill will now list charges separately for programming, equipment and service calls.

New rates are listed below. Depending on the services you choose, your total bill may be more, less, or about the same as you pay now. Because of the formulas required to calculate the rates, a cable system may have more than one rate for the different areas it serves.

Tallahassee

Programming Services*

Limited Basic	8.13
Standard Service	11.52
Value Pak (see below)	.65
Preferred Service (includes Limited Basic, Standard Service and Value Pak)	20.30

Equipment Rental

Addressable Converter	2.45
Standard Converter	1.04
Remote Control	.43

Other Services*

Additional Outlet	No Charge
Guide	.75
Pay-Per-View	Prices Vary

Service Charges

CableGuard	.45
New Connect Installation Charge	51.32
Prewired New Connect	38.49
Reconnect	32.08
Additional Outlet/Relocate Outlet (initial installation) - per outlet	12.83
Additional Outlet/Relocate Outlet (Separate trip) - per outlet	25.66
Hourly Service Charge/Custom Installation	25.66
Change of Service Charge (home visit required)	19.25
Change of Service (no home visit required)	1.99

Premium Service Programming (purchased separately)*

HBO	12.00
Cinemax	12.00
Showtime	12.00
The Disney Channel	12.00
Additional Outlet Premium(s)	3.00

Value Pak Services (purchased separately)*

TNT	.49
WTBS	.33
The Family Channel	.33
The Nashville Network	.33

Premium Service Packages*

Feature Package* (Preferred Service, HBO, Showtime and Guide)	39.30
Family Package* (Preferred Service, Showtime, The Disney Channel and Guide)	39.30

*Applicable equipment rental charges not included
Applicable fees and taxes will apply

customers can also begin to enjoy the following channel additions on September 1, 1993: QVC/Fashion Channel, Channel #12, 3:00 - 6:00 a.m.; ESPN 2, Channel #21; EWTN, Channel #5, 1:30 - 5:30 a.m.

Your bills will contain detailed information. We will do everything we can to minimize confusion during this transition. Let us know if we can answer any questions by calling 904-574-4000.

1 N. Monroe Street, S12
non deadline Aug. 31.
5223
station Women's Club —
Leon. Theme "Crally
Joyce Lesnet featured
for and Shirley Roux.
Silver Slipper Restau-
lane \$9, free nursery.
ne. 12 p.m. Aug. 30.

its Seminar — One-day
ed by Chipola Junior Col-
au Smith, director of the
Government. 8 a.m.-5
College, Marianna. S25
is Pre-registration is en-
for of Margaret Keeman.

996 — Monthly meeting
Control, recruiter coordi-
netics. 2 p.m. Heritage
Ginger Drive. Free. 677-

nglish Classes for Inter-
Tuesday's Living.
Lessons — With teacher
6:15 p.m. Senior Center,
Street. Free. 222-9628.
Every Thursday at noon
restaurant. 736 Apalachee
22-9119 or 942-6888.
for Center for the Arts
a.m.-noon, \$2 per class;
a.m.-noon, beginning oil
to a.m. life drawing. 7-10
Center, 1400 N. Mon-
pass for senior citizens,
younger than 55.
Adults — See Tues-

WEDAY
Professional Placement
and support group
professionals. Anyone with
5 years of experience is
6:45 a.m. Job Service of
er Road. Free. Please
call. 455-8701.
for Center for the Arts
Poylis Mullen. 2-4 p.m.
ter. 1400 N. Monroe St.
for senior citizens. \$6.50
than 55.
— Noon-1 p.m. See Tues-

THURDAY
Masters Club — 8 a.m.-
restaurant, 736 Apalachee
or Paskett. 385-5295.
Adults — Noon to 2
sisting.
etic American Dance
Sally Rubinstein. 2-30
Century Center (off Ingle-
255 or 891-3946.

abin's "Fantasie."
13; was a Russian-
who died suddenly in
abin is remembered
his composer who
tested in mysticism.
once served as staff
the prestigious Mar-
of Contemporary
perform Ravel's
work and two

LEIBOWITZ & SPENCER

A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

MATTHEW L. LEIBOWITZ, P.A.
JOHN M. SPENCER, P.C.*
JOSEPH A. BELISLE

OF COUNSEL
SANFORD L. BOHRER

* NOT ADMITTED TO
FLORIDA BAR

SUITE 1450
SUNBANK INTERNATIONAL CENTER
ONE SOUTHEAST THIRD AVENUE
MIAMI, FLORIDA 33131-1715

TELEPHONE (305) 530-1322
TELECOPIER (305) 530-9417

SUITE 500
1000 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20036

FEB 2 1994

FCC - MAIL ROOM

November 29, 1993

Via Facsimile

Catherine M. Christensen, Esquire
Bienstock & Clark
200 South Biscayne Boulevard
Suite 3160
Miami, Florida 33131

Re: Cable Satellite of South Miami, Inc.
Service Contract

Dear Catherine:

Today I received the enclosed Service Contract that Cable Satellite of South Miami, Inc. is apparently offering its subscribers. This contract is troubling in several respects.

First, the language of this contract implies that customers are required by the Federal Communications Commission to pay certain amounts for service. This is patently false. The Federal Communications Commission does not require Cable Satellite to charge anything at all for service. Each and every service charge listed on the Cable Satellite Service Contract is a Cable Satellite charge, not an FCC charge. The contract language to the contrary is false and misleading and should be corrected immediately.

Next, the Service Contract is clearly a contract of insurance under Section 624.02 of the Florida Statutes. The City of South Miami needs assurance that your client's insurance business is being conducted pursuant to a Certificate of Authority, as required by Section 624.401 of the Florida Statutes. Please provide a copy of Cable Satellite's Certificate of Authority.

Finally, it appears that Cable Satellite's offer of a Service Contract is an attempted evasion of both the FCC's Cable Rate Freeze and the rate regulation limits established in the FCC's rules. Please explain how this Service Contract is consistent with these requirements.

November 29, 1993
Page 2

Thank you for your prompt attention to these matters. Please respond to this inquiry on or before December 14, 1993.

Sincerely yours,

A handwritten signature in cursive script, reading "Joseph A. Belisle". The signature is written in dark ink and is positioned above the typed name.

Joseph A. Belisle
Special Counsel
City of South Miami

SERVICE CONTRACT

You as a cable subscriber are required to pay the following service charges based on Federal Communication Commission formulas:

Hourly Service Charge (Customer Related) 1 Hr. Minimum	\$52.76
Additional Connection Required Separate Installation	\$26.38
Relocate Outlet.....	\$26.38
Computer Upgrade on Optional Services	\$ 2.00
Computer Downgrade on Optional Services	\$ 2.00
Connect VCR Requiring Separate Installation	\$13.19
Connect FM Requiring Separate Installation	\$13.19
Install A/B Switch Requiring Separate Installation	\$13.19
Delivery of Remote/Converter After Initial Installation	\$13.19

We have arranged with our Service Department to eliminate your paying the above charges by paying a nominal monthly service fee of Two (\$2.00) per month, regardless of the number of occurrences.

Please sign and return this form with your next monthly payment.

Agreed to by:

Cable Television Subscriber

Address

City, State, Zip Code

METROPOLITAN DADE COUNTY, FLORIDA



CONSUMER SERVICES DEPARTMENT
CONSUMER PROTECTION/ADVOCATE DIVISION
SUITE 802
140 WEST FLAGLER STREET
MIAMI, FLORIDA 33130-1561
(305) 375-4222
TDD (305) 375-4177
FAX (305) 375-4120

FEB 2 1994

FCC - MAIL ROOM

December 16, 1993

Mr. Charles C. Hermanowski
Cable Satellite of South Miami, Inc.
10711 S.W. 216 Street
Suite #100
Miami, Florida 33173

RE: Docket #93-009

Dear Mr. Hermanowski:

This office is charged with the responsibility of enforcing Dade County's Uniform Trade Standards Law and protecting consumers in public interest matters. In that regard, we have investigated the statements and representations published in the attached "Service Contract" which was mailed to your customers along with their most recent bills. Our findings indicate that the "Service Contract" appears to violate Sections 8A-108(a), 8A-110(d) and 8A-113(b) of the Code of Metropolitan Dade County and Rule 2-18.02, F.A.C.

More Particularly, your "Service Contract," directly or by implication represents:

1. "You as a cable subscriber are required to pay the following service charges based on Federal Communication Commission formulas."

This representation appears to violate Section 8A-108(a) and 8A-113 (b) of the Code since it gives the impression that the Federal Communication Commission has authorized or approved these rates.

2. The solicitation is misleading in that it creates the impression that a \$2.00 monthly service fee is required since arrangements have been made with your Service Department. The statement "Please sign and return with your next monthly payment" does not afford the consumer an option to decline.
3. The option to decline should be spelled out in a three (3) day Buyer's Right to Cancel disclosure statement since this is a future service contract.

Section 2-18.02, F.A.C. provides that anyone who requires an advance fee for services to be rendered in the future on an ongoing basis must provide this disclosure in typesize in bold-face type of a size of 10 points in the contract.

Dec. 28, 1993 3:09PM M-D CONSUMER SERVICES DEPARTMENT

No. 6089 P. 1
From: CATHY GRIMES-PEEL

4. Our investigation revealed that there is a condition associated with the \$2.00 monthly service fee. That is to say, the \$2.00 fee must be paid for a minimum of one year. Section 8A-110(d) of the Code requires conditions such as this to be conspicuously disclosed in a place contiguous to the \$2.00 offer.

Section 8A-124 of the Code of Metropolitan Dade County authorizes this division to obtain up to a \$10,000.00 civil penalty for each violation of the provisions of Chapter 8A of the Code. Before this office considers whether action in the public interest is warranted, you are being offered an opportunity to amicably resolve this matter through the signing of an Assurance of Voluntary Compliance and payment of civil penalties covering the infractions set forth in this letter. If you elect to settle this case, please contact me upon receipt of this letter to schedule an appointment to meet with me.

If you have any questions, please do not hesitate to call.

Very truly yours,



Leonard Elias
Consumer Advocate

LE:nkp

cc: Cathy Grimes-Peel, Cable TV Coordinator✓

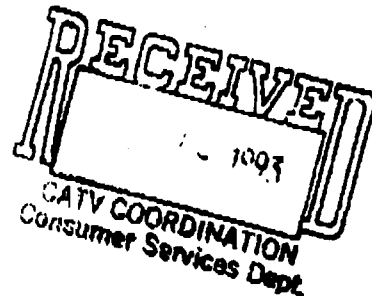
BIENSTOCK & CLARK

A Partnership Including
A Professional Association
FIRST UNION FINANCIAL CENTER
SUITE 3160
200 SOUTH BISCAYNE BOULEVARD
MIAMI, FLORIDA 33131-2367
(305) 373-1100
TELECOPIER (305) 388-1226

3340 OCEAN PARK BOULEVARD
SUITE 3060
SANTA MONICA, CALIFORNIA 90405
(310) 314-8660
TELECOPIER (310) 314-8662

December 21, 1993

Mr. Leonard Elias
Consumer Advocate
Consumer Services Department
Consumer Protection/Advocate Division
Suite 902
140 West Flagler Street
Miami, FL 33130-1561



Re: Cable Satellite - Service Contract -
Your Letter to Mr. Charles C.
Hermanowski dated December 16, 1993

Dear Mr. Elias:

The above-referenced letter to Mr. Hermanowski has been referred to this firm for a response.

Please be advised that Cable Satellite has the legitimate right, under the Cable Consumer Protection and Competition Act of 1992 (the "1992 Cable Act"), to sell installation and equipment service contracts to its cable subscribers. The Service Contract, as published, does not, and was not intended to, mislead Cable Satellite's subscribers in any way and does not contain any untrue statements as alleged.

New federal regulations governing cable rates went into effect on September 1, 1993. As a result of the 1992 Cable Act, and in order to partake of certain services provided by Cable Satellite, a cable subscriber is required to pay for such charges (which reflect Cable Satellite's "Equipment Basket" of costs) in the amounts mentioned in the Service Contract, which amounts are based upon permissible formulas set forth in the rules and regulations promulgated by the Federal Communications Commission (the "FCC").

Mr. Leonard Elias
December 21, 1993
Page 2

Cable Satellite's Service Contract to its customers provides that the cable operator's service charges are "based on Federal Communication Commission formulas" and this is a true and correct statement of the current federal law. The rates set forth in the Service Contract are indeed the rates which Cable Satellite is legally permitted to charge, and in order for customers to obtain the various services, they are required to pay the rates mentioned in the contract.

Under 47 C.F.R. 76.923(b) of the FCC's rules, cable operators are required to completely unbundle the charges for equipment and installation from their charges for programming, and customers must now be charged separately for various services and equipment. The rates for equipment and installation must be established at cost in accordance with the Hourly Service Charge (HSC) formulas adopted by the FCC. 47 C.F.R. 86.923(d) The HSC is derived from the system's historical cost for service and repair, plus a reasonable profit.

As noted in FCC Order No. 92-266 and pursuant to the terms and provisions of Section 47 C.F.R. 76.923, Cable Satellite may establish a one-time charge for service installations or may recover the costs through a series of monthly charges.

In addition, under federal law, cable operators are permitted to sell service contracts for the maintenance and repair of its equipment. The price of service contracts must be based on the hourly service charge multiplied by the estimated average number of hours required for maintenance and repair over the expected life of the equipment.

Moreover, a cable operator may offer equipment or installation at charges below those determined under paragraphs (e) through (g) of Section 76.923 so long as those offerings are reasonable in scope in relation to the operator's overall offerings in the Equipment Basket and are not unreasonably discriminatory.

In fact, the Service Contract was prepared in response to the rate requirements under the 1992 Cable Act and is designed to be "consumer friendly." All of Cable Satellite's subscribers were previously notified of the many changes which Cable Satellite was making to its programming and service charges as a result of the 1992 Cable Act, including the option to purchase the Service Contract which is now the subject of your inquiry. A copy of such Notice is enclosed.

As far as Cable Satellite is aware, the Service Contract has not been the source of any complaints by its customers.

Mr. Leonard Elias
December 21, 1993
Page 3

Despite the pro-consumer publicity that the 1992 Cable Act has received, to our knowledge, there has been no debate over the fact that one of the impacts of the Act on consumers is that customers can now be subject to hourly service charges for service calls. Without a Service Contract such as the one which Cable Satellite has implemented, every subscriber would be exposed to these hourly service charges.

The fact that the Consumer Services Department has conducted an investigation and has already assigned a case number to this matter is quite disconcerting in light of the fact that Cable Satellite was never contacted about this until such time as it received the Department's December 16 letter. Had the Department contacted Cable Satellite to discuss this matter, the Department would have realized that as a result of the Service Contract, Cable Satellite's customers now have several options when it comes to obtaining Cable Satellite's services.

Any customer can affirmatively, and in his or her own discretion, elect to enter into this installment arrangement (which covers all services listed) under the Service Contract. In the alternative, the customer can pay for charges separately each time it incurs such a charge as a result of Cable Satellite's performing any services affirmatively requested by a customer.

Also, please keep in mind that in addition to the recent notice attached hereto, customers are informed at the time of initial cable installation of the products, services (and related prices) offered by Cable Satellite. Also, in accordance with the provisions of the 1992 Cable Act (47 U.S.C. § 552), Cable Satellite will, at least annually, and at any time upon request, provide its customers with information concerning, among other things, the services offered by the company and the installation and maintenance policies of the company.

Again, none of Cable Satellite's subscribers has complained to the company, and approximately 3% of the company's subscribers have affirmatively chosen or "opted" to enter into the Service Contract with Cable Satellite. The remaining Cable Satellite subscribers, being reasonably sophisticated consumers, have, by deciding not to execute and return the Service Contract with their billing payments, most likely elected to pay for any required charge at the time when it requests, and Cable Satellite actually performs, such services.

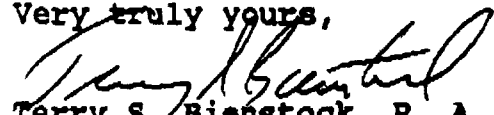
In light of the foregoing federal laws, which we believe supersede any provisions contained in the Code, it does not appear that Cable Satellite should be penalized for allegedly violating

Mr. Leonard Elias
December 21, 1993
Page 4

certain provisions of the Code when it is legally allowed to charge rates for installation services and equipment pursuant to federally mandated formulas and to enter into service contracts with its customers in connection therewith.

Therefore, Cable Satellite will not agree to sign an Assurance of Voluntary Compliance and/or to pay any civil penalties covering the alleged infractions and plans to vigorously contest any suit which is filed by the Department. If you would like to discuss further why the Department believes Cable Satellite's Service Contract is not in the best interest of the consumer, please do not hesitate to contact this firm or Rick Hensley directly at Cable Satellite.

Very truly yours,


Terry S. Bienstock, P. A.

TSB:cc

Enclosure

cc: Cathy Grimes-Peel
Mr. Rick Hensley

CABLE SATELLITE OF SOUTH MIAMI
"Your Satellite Connection For A Changing Lifestyle"

Dear Customer,

To comply with Federal Regulations under the 1992 Cable Act, we will be making some changes to our channel line-up and charges for services. Because of the Federal Government's rate formula, some service levels may increase in price while others decrease. These changes take effect on September 1, 1993 and will be reflected in your October bill

PRODUCTS & SERVICES PRICE LIST

(all prices exclude applicable franchise fees and any other Governmental charges)

BASIC SERVICE - \$25.48 per month

PREMIUM & PAY PER VIEW SERVICES

Premium services may be purchased individually or, for greater savings, buy more than one and receive special discounts.

Individual Premium Service
(per month)

HBO	\$12.95
SHOWTIME	\$10.95
The Disney Ch.	\$ 9.95
CINEMAX	\$12.95
The Movie Ch.	\$10.95
PLAYBOY	\$ 9.95
ENCORE	\$ 6.95
SUN (Spanish)	\$ 6.95
Sports Channel	\$ 2.95

Superpay Package
(per month)

SHOWTIME/Movie Channel/Encore \$13.95

Additional Discounts For Premium Svc
(per month)

HBO/Disney/Cinemax/Playboy	
Any Two Premium Services	\$20.85
Any Three Premium Services	\$30.85
Any Four Premium Services	\$40.85

PAY-PER-VIEW SERVICES

With the use of an addressable converter (for which there is a separate monthly charge) you may call the Pay-Per-View phone numbers listed below and order a movie or event. The schedule of Pay-Per-View movies and events, ordering instructions, and their prices are shown on the Preview channel (channel 55). Your account will be charged for each movie or event you order.

Pay-Per-View

Request 1	\$ 3.95	130-1070
Request 2	\$ 3.95	To Be Announced
Request 3	\$ 3.95	To Be Announced
Action Pay Per View	\$ 3.95	To Be Announced
Playboy At Night	\$ 4.95	130-1038
Special Events	Varied	130-1414

PREMIUM CABLE GUIDE - Plan your premium cable viewing with this informative guide at \$1.00 per month.

Addressable Converter	\$ 1.95 per Month
Remote Control	\$.52 per Month
Additional Outlet	N/A per month

INSTALLATION & REPAIR

Unwired Residence Installation (within 125' of existing cable plant)	\$ 52.76*
Wired Residence Installation	\$ 26.38*
Restart/Reconnect/Transfer Residence Installation	\$ 26.38*
Restart/Reconnect For Non-Pay	\$ 26.38*
Additional Connection at Time of Initial Installation	\$ 13.19*
Additional Connection Required Separate Installation	\$ 26.38*
Relocate Outlet	\$ 26.38*
Computer Upgrade on Optional Services	\$ 2.00*
Computer Downgrade on Optional Services	\$ 2.00*
Connect VCR at Time of Initial Installation	\$ 8.79*
Connect VCR Requiring Separate Installation	\$ 13.19*
Connect FM at Time of Initial Installation	\$ 8.79*
Connect FM Requiring Separate Installation	\$ 13.19*
Purchase A/B Switch	\$ 5.00
Install A/B Switch at Time of Initial Installation	\$ 8.79*
Install A/B Switch Requiring Separate Installation	\$ 13.19*
Delivery of Remote/Converter After Initial Installation	\$ 13.19*
Administrative Fee for Delinquent Payment	\$ 5.00
Non-sufficient Funds Charge	\$ 20.00
Unreturned Addressable Converter Charge	\$125.00
Unreturned Remote Charge	\$ 10.00
Installation Promotion Only	\$ 19.95
Hourly Service Charge (Customer Related) or minimum	\$ 52.76*

Commercial and non-standard installations and other services not listed above will be charged the Hourly Service Charge. Please call us for more information. Prices do not include franchise fees or any other governmental charges. All prices are subject to change.

Commercial Basic Cable - (Lounges/Bars)	\$ 99.95
Additional Outlet - (Lounges/Bars)	\$ 50.00
Commercial Basic Cable - (Others)	\$ 49.95
Additional Outlet - (Others)	\$ 25.00
Converter	\$ 1.95
Remote	\$.52

OPTIONAL MONTHLY SERVICE CONTRACT

Optional Service Contract	\$ 2.00 per month
---------------------------	-------------------

Eliminates the following charges regardless of number of occurrences:

Hourly Service Charge (Customer Related) or Minimum	\$ 52.76*
Additional Connection Required Separate Installation	\$ 26.38*
Relocate Outlet	\$ 26.38*
Computer Upgrade on Optional Services	\$ 2.00*
Computer Downgrade on Optional Services	\$ 2.00*
Connect VCR Requiring Separate Installation	\$ 13.19*
Connect FM Requiring Separate Installation	\$ 13.19*
Install A/B Switch Requiring Separate Installation	\$ 13.19*
Delivery of Remote/Converter After Initial Installation	\$ 13.19*

*These prices are formulated by using the Hourly Service Charge (HSC) as prescribed by the Federal Communication Commission formulas multiplied by the average time for each installation activity based upon historical data.